

Hearing Date: October 30 at 9:30 a.m. AST
Objection Deadline: August 12, 2019 at 4:00 p.m. AST

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
TITLE III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**SUMMARY COVER SHEET FOR FIRST INTERIM APPLICATION OF
ILEANA C. CARDONA FERNANDEZ, ESQ., LOCAL CONFLICTS COUNSEL TO THE
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD, ACTING THROUGH ITS
SPECIAL CLAIMS COMMITTEE,
FOR PROFESSIONAL COMPENSATION AND REIMBURSEMENT
OF EXPENSES FOR THE FIFTH INTERIM FEE PERIOD
FROM FEBRUARY 1, 2019 THROUGH MAY 31, 2019**

**ALL FEES AND SERVICES IN THIS INTERIM APPLICATION
WERE INCURRED IN PUERTO RICO**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Summary Sheet

Name of Applicant: Ileana C. Cardona Fernández, Esq.

Authorized to Provide Professional Services as: Local Conflicts Counsel for The Financial Oversight and Management Board, acting through its Special Claims Committee

Name of Client: The Financial Oversight and Management Board, acting through its Special Claims Committee

Petition Date: May 3, 2017²

Retention Date: April 30, 2019

Compensation Period: February 1, 2019 through May 31, 2019 (the "Compensation Period")

Total Compensation Sought: \$2,205.00

Expense Reimbursement Sought: \$0.00

Total Compensation and Expense Reimbursement Sought: \$2,205.00

Prior Applications Filed: None

This is an: ___ monthly X interim ___ final application

This is Ileana C. Cardona Fernández, Esq.'s first interim application in these cases (this "Application").

² The petition date for the Commonwealth under Title III was May 3, 2017. The petition date for COFINA under Title III was May 5, 2017. The petition date for ERS and HTA under Title III was May 21, 2017. The petition date for PREPA under Title III was July 2, 2017.

Additional Information required pursuant to the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* effective as of November 1, 2013:

Total Compensation Approved by Interim Order to Date: \$0.00

Total Expense Reimbursement Approved by Interim Order to Date: \$0.00

Total Allowed Compensation Paid to Date: \$0.00

Total Allowed Expense Reimbursement Paid to Date: \$0.00

Total Compensation Sought in this Application Already Paid Pursuant to Monthly Compensation Statements but not yet Allowed: \$1,836.05

Total Expense Reimbursement Sought in this Application Already Paid Pursuant to Monthly Compensation Statements but not yet Allowed: \$0.00

Hourly Rate in this Application: \$225.00

Number of Professionals in this Application: 1

Number of Professionals Billing Fewer than 15 hours in this Application: 1

Difference Between Fees Budgeted and Compensation Requested for this Period: N/A ³

Rate Increases Since Date of Retention: None

Disclosure of Compensation Sought in this Application Using Rates Disclosed at Retention: N/A

³ Please note that, at the time of conclusion of the Sixth Interim Compensation period, a budget had not yet been prepared and submitted.

**Summary of Prior Monthly Fee Statements for the Compensation Period
from November 28, 2018 through January 31, 2019**

Date	Period Covered	Total Fees	Fees Requested (90%)	Holdback (10%)	Expenses Requested	Fees Paid ⁴	Expenses Paid (100%)
6/10/19	April 1, 2019 – May 31, 2019	\$2,205.00	\$1,984.50	\$220.50	\$0.00	\$1,836.05	\$0.00
TOTAL		\$2,205.00	\$1,984.50	\$220.50	\$0.00	\$1,836.05	\$0.00

Summary of Amounts Requested to be Paid

Total 10% Holdback on Fees: \$220.50

Total Amount Requested to be Paid: \$2,205.00

⁴ On June 28, 2019, in connection with Ileana C. Cardona Fernández, Esq.'s First Consolidated Monthly Fee Statement, the Debtors paid the undersigned \$1,836.05 on account of fees requested. The Debtors withheld: (i) \$220.50, the amount of the 10% holdback, plus (ii) \$148.45, which represents the 7% Puerto Rico tax withholding for professional services rendered.

Hearing Date: October 30 at 9:30 a.m. AST
Objection Deadline: August 12, 2019 at 4:00 p.m. AST

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
TITLE III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**FIRST INTERIM APPLICATION OF
ILEANA C. CARDONA FERNANDEZ, ESQ. LOCAL CONFLICTS COUNSEL TO THE
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD, ACTING THROUGH ITS
SPECIAL CLAIMS COMMITTEE,
FOR PROFESSIONAL COMPENSATION AND REIMBURSEMENT
OF EXPENSES FOR THE SIXTH INTERIM FEE PERIOD
FROM FEBRUARY 1, 2019 THROUGH MAY 31, 2019**

TO THE HONORABLE LAURA TAYLOR SWAIN
UNITED STATES DISTRICT COURT JUDGE:

Ileana C. Cardona Fernández, Esq., local conflicts counsel to the Financial Oversight and Management Board, acting through its Special Claims Committee (the “Oversight Board”) as representative of the Commonwealth of Puerto Rico, the Puerto Rico Sales Tax Financing Corporation, the Puerto Rico Highways and Transportation Authority, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, and the Puerto Rico Electric Power Authority (collectively, the “Debtors”) in the above-captioned title III cases (the “Title III”

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Cases”) pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² hereby submits this first interim fee application (the “First Interim Application” or “Application”), pursuant to PROMESA sections 316 and 317, Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”),³ Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the District of Puerto Rico (the “Local Bankruptcy Rules”), Appendix B of the United States Trustee *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Large Chapter 11 Cases* effective as of November 1, 2013 (the “U.S. Trustee Guidelines,” and together with the aforementioned statutes, rules and guidelines, the “Guidelines”), and in accordance with the *Second Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* entered by this Court on June 6, 2018 [Docket No. 3269] (the “Interim Compensation Order”), seeking entry of an order granting (a) the allowance of interim compensation in the aggregate amount of **\$2,205.00** in fees for reasonable and necessary professional services rendered and incurred during the period commencing February 1, 2019 through and including May 31, 2019 (the “Compensation Period”). In support of this Application, Ileana C. Cardona Fernández, Esq. respectfully states the following:

Jurisdiction and Venue

1. The Court has subject matter jurisdiction to consider and determine this Second Interim Application pursuant to PROMESA section 306(a). Venue is proper before this Court pursuant to PROMESA section 307(a). The statutory predicates for the relief requested herein are PROMESA sections 316 and 317, Bankruptcy Rule 2016 and Local Rule 2016-1.

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

³ The Bankruptcy Rules are made applicable to the Debtors’ Title III Cases pursuant to PROMESA section 310.

2. This Application has been prepared in accordance with the Guidelines and the Interim Compensation Order. Attached hereto as **Exhibit A** is a certification regarding compliance with the Local Guidelines.

Background and Case Status

A. The Debtors' Title III Cases

3. On June 30, 2016, the Oversight Board was established under PROMESA section 101(b).

4. On August 31, 2016, President Obama appointed the Oversight Board's seven voting members.

5. Pursuant to PROMESA section 315, "[t]he Oversight Board in a case under this title is the representative of the debtor[s]" and "may take any action necessary on behalf of the debtor[s] to prosecute the case[s] of the debtor[s], including filing a petition under section 304 of [PROMESA] . . . or otherwise generally submitting filings in relation to the case[s] with the court."

6. On September 30, 2016, the Oversight Board designated the Debtors as "covered entit[ies]" under PROMESA section 101(d).

7. On May 3, 2017, the Oversight Board issued a restructuring certification pursuant to PROMESA sections 104(j) and 206 and filed a voluntary petition for relief for the Commonwealth of Puerto Rico (the "Commonwealth") pursuant to section 304(a) of PROMESA, commencing a case under title III thereof.

8. On May 5, 2017, the Oversight Board filed a voluntary petition for relief for the Puerto Rico Sales Tax Financing Corporation ("COFINA") pursuant to section 304(a) of PROMESA, commencing a case under title III thereof.

9. On May 21, 2017, the Oversight Board filed a voluntary petition for relief for each of the Employees Retirement System of the Government of the Commonwealth of Puerto Rico

(“ERS”) and the Puerto Rico Highways and Transportation Authority (“HTA”) pursuant to section 304(a) of PROMESA, commencing cases under title III thereof.

10. On July 2, 2017, the Oversight Board filed a voluntary petition for the Puerto Rico Electric Power Authority (“PREPA”) pursuant to section 304(a) of PROMESA, commencing a case under title III thereof.

11. Through orders issued on June 1, June 29 and October 6, 2017, the Court ordered the joint administration of the Title III Cases for the Debtors, for procedural purposes only [Docket Nos. 242, 537 and 1417].

12. Background information regarding the Commonwealth and its instrumentalities, and the commencement of the instant Title III Cases, is contained in the *Notice of Statement of Oversight Board in Connection with PROMESA Title III Petition* [Docket No. 1] attached to the Commonwealth’s Title III petition.

B. Retention of Ileana C. Cardona Fernández, Esq.

13. Ileana C. Cardona Fernández, Esq. is a sole practitioner with her office located in San Juan, Puerto Rico. Ms. Cardona Fernández is experienced in federal litigation and trial work.

14. As set forth in the Independent Contractor Services Agreement dated April 30, 2019 (the “Services Agreement”),⁴ Ileana C. Cardona Fernández, Esq. was retained by the Oversight Board, acting through its Special Claims Committee, as an independent contractor rendering services per Project Assignments. Ms. Cardona Fernández has been retained to serve as local conflicts counsel for the Oversight Board, acting through its Special Claims Committee.

C. Interim Compensation and Fee Examiner Orders

15. On August 23, 2017, the Court entered the *Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 1150].

⁴ See **Exhibit B**: Independent Contractor Services Agreement.

16. On October 6, 2017, the Court appointed a Fee Examiner in these Title III Cases (the “Fee Examiner”) pursuant to the *Order Pursuant to PROMESA Sections 316 and 317 and Bankruptcy Code Section 105(a) Appointing a Fee Examiner and Related Relief* [Docket No. 1416] (the “Fee Examiner Order”).

17. On October 31, 2017, the Fee Examiner filed the Urgent Motion of the Fee Examiner to Amend the Interim Compensation Order, Including the Due Date and Hearing Date for Interim Compensation [Docket No. 1594].

18. On November 8, 2017, the Court entered the First Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals [Docket No. 1715].

19. On November 10, 2017, the Fee Examiner issued a memorandum, and on January 3, 2018, the Fee Examiner issued a supplemental memorandum (together, the “Fee Examiner Guidelines”) to all retained professionals in these Title III Cases providing additional guidelines in connection with the Interim Compensation Order.

20. On May 8, 2018, the Fee Examiner filed the *Motion of the Fee Examiner to Amend the Fee Examiner Order with Respect to the Scope of the Fee Examiner’s Authority in the Interest of Administrative Efficiency* [Docket No. 3032] (the “Motion to Amend the Fee Examiner Order”).

21. On May 23, 2018, the Oversight Board and the Puerto Rico Fiscal Agency and Financial Authority (“AAFAF”) filed a *Joint Motion for Entry of an Order Further Amending the Interim Compensation Order* [Docket No. 3133].

22. On June 6, 2018, the Court entered the Interim Compensation Order, and in accordance therewith, Ms. Cardona Fernández and other professionals retained in these Title III Cases was authorized to serve upon the parties identified therein (the “Notice Parties”) monthly fee statements (the “Monthly Fee Statements”).

23. Pursuant to the Interim Compensation Order, the Notice Parties have ten days from the date of service of the Monthly Fee Statement to object to the amounts requested. If no objection is filed prior to expiration of the objection period, the Commonwealth is authorized to pay the respective professionals 90% of the fees and 100% of the expenses sought in each Monthly Fee Statement.

24. On June 20, 2018, the Court entered the *First Amended Order Pursuant to PROMESA Sections 316 and 317 and Bankruptcy Code Section 105(A) Appointing a Fee Examiner and Related Relief* [Docket No. 3324] (the “Amended Fee Examiner Order”).

D. Applications for Interim Compensation

25. In addition to the Monthly Fee Statements, the Interim Compensation Order directed professionals to seek interim allowance and payment of compensation (including the 10% held back from Monthly Fee Statements) and expense reimbursement at 120-day intervals (each an “Interim Fee Period”) by filing with the Court and serving on the Notice Parties an application for approval and allowance of all compensation and reimbursement of expenses relating to services rendered and expenses incurred during the preceding Interim Fee Period (*see* Interim Compensation Order at ¶2(f)).

26. This is Ileana C. Cardona Fernández’s first interim fee application and covers the period from her retention on April 30, 2019 through and including May 31, 2019.

Relief Requested

27. By this Application, Ileana C. Cardona Fernández, Esq. seeks an order authorizing (a) allowance of interim compensation for the professional services rendered during the Compensation Period in the aggregate amount of \$2,205.00, inclusive of any amounts previously held back.

28. During the Compensation Period, Ileana C. Cardona Fernández expended a total of 9.8 hours for which compensation is requested. All services rendered and expenses incurred for

which compensation or reimbursement is requested were performed or incurred for or on behalf of the Oversight Board.

29. Following the conclusion of the Compensation Period, Ileana C. Cardona Fernández submitted one Consolidated Monthly Fee Statement.

30. On June 12, 2019, Ileana C. Cardona Fernández served her first consolidated monthly fee statement covering the period from April 1, 2019 through May 31, 2019 (the “First Consolidated Monthly Fee Statement”), a copy of which is attached hereto as **Exhibit B**. Ileana C. Cardona Fernández received no objection to the First Monthly Fee Statement. On June 25, 2019, Ileana C. Cardona Fernández submitted a statement of no objection to the Notice Parties with respect to the First Monthly Fee Statement. On June 28, 2019, the Debtors paid Ileana C. Cardona Fernández \$1,836.05 on account of fees requested. The Debtors withheld (i) \$220.50, the amount of the 10% holdback, plus (ii) \$148.45 which represents the 7% withholding for professional services rendered in Puerto Rico.

31. Other than with respect to those Monthly Fee Statements, no payments have been made to Ileana C. Cardona Fernández, Esq., and Ileana C. Cardona Fernández, Esq. has received no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered during the Compensation Period and addressed by this First Interim Application. There is no agreement or understanding between Ileana C. Cardona Fernández, Esq. and any other person, for the sharing of compensation to be received for services rendered in these cases.

32. In accordance with the Services Agreement, Ileana C. Cardona Fernández, Esq.’s hourly rate is \$225.00 per hour.

33. Ileana C. Cardona Fernández, Esq. maintains computerized records of all time spent in connection with its representation of the Oversight Board. Ileana C. Cardona Fernández, Esq. has provided itemized time records during the Compensation Period to this Court, the Debtors, the

Fee Examiner, all notice parties pursuant to the Interim Compensation Order and the U.S. Trustee.

All entries itemized in Ileana C. Cardona Fernández, Esq.'s time records comply with the requirements set forth in the Guidelines, including the use of separate matter numbers for different project types, as described in this Application.

34. Pursuant to, and consistent with, the relevant requirements of the Guidelines, as applicable, the following exhibits are attached hereto and incorporated herein by reference:

- i. **Exhibit A** - certification by Ileana C. Cardona Fernández, Esq. regarding her compliance with the Local Guidelines.
- ii. **Exhibit B** - copy of Ileana C. Cardona Fernández, Esq.'s First Consolidated Monthly Fee Statement during the Compensation Period, which includes detailed time records and out-of-pocket expense details.

Summary of Services Performed by Ileana C. Cardona Fernández, Esq. During the Compensation Period

35. Set forth below is a description of significant professional services, broken down by project category, rendered by Ileana C. Cardona Fernández, Esq. during the Compensation Period. The following services described are not intended to be a comprehensive summary of the work performed by Ileana C. Cardona Fernández, Esq. Detailed descriptions of all services rendered by Ileana C. Cardona Fernández can be found in the detailed time records reflecting the services performed, annexed to the First Consolidated Monthly Fee Statement attached hereto as **Exhibit B**, and such descriptions are incorporated herein by reference.

A. Case Administration

Fees: \$1,012.50; Hours: 4.5

36. During the Compensation Period, Ileana C. Cardona Fernández, Esq. reviewed the case docket to identify pleadings relevant to its investigation, including as to relevant hearing dates and objection deadlines for pleadings filed in connection with adversary proceedings to be filed. Ileana C. Cardona Fernández, Esq. also addressed certain issues related to her retention in the cases.

37. During the Compensation Period, Ileana C. Cardona Fernández, Esq. actively engaged in the process of drafting the proposed informal resolution procedure for filed avoidance actions and signed tolling agreements.

B. Meetings and Communications with Client

Fees: \$315.00; Hours: 1.4

38. At the outset of Ileana C. Cardona Fernández, Esq.'s engagement, she engaged in numerous discussions with co-counsels over the desired course of action. During the Compensation Period, Ileana C. Cardona Fernández participated in calls with co-counsels to provide status reports and recommendations for specific actions. In addition, Ileana C. Cardona Fernández, Esq. engaged in periodic follow-up discussions with co-counsels regarding case issues.

C. Avoidance Actions

Fees: \$877.50; Hours: 3.9

39. During the Compensation Period, Ileana C. Cardona Fernández actively participated in the drafting, review, filing, and follow-up of avoidance actions.

The Application Should be Granted

40. Section 317 of PROMESA provides for interim compensation of professionals and incorporates the substantive standards of Section 316 of PROMESA to govern the Court's award of such compensation. 48 U.S.C. § 2177. Section 316 provides that a court may award a professional employed under section 1103 of title 11 of the United States Code "reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses." *Id.* § 2176(a)(1) and (2). Section 316(c) sets forth criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (1) the time spent on such services;

- (2) the rates charged for such services;
- (3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;
- (4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
- (5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and
- (6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

Id. § 2176(c).

41. Ileana C. Cardona Fernández, Esq. respectfully submits that the services for which she seeks compensation and the expenditures for which she seeks reimbursement in this First Interim Application were necessary and beneficial to the Oversight Board. In light of the nature, extent and value of such services, Ileana C. Cardona Fernández, Esq. submits that the compensation requested herein is reasonable.

42. The compensation for Ileana C. Cardona Fernández, Esq.'s services as requested is commensurate with the complexity, importance and nature of the problems, issues or tasks involved. The professional services were performed with expedition and in an efficient manner.

43. In sum, the services rendered by Ileana C. Cardona Fernández, Esq. were necessary and beneficial to the Oversight Board, were reasonable in light of the value of such services to the Oversight Board and were performed with skill and expertise. Accordingly, Ileana C. Cardona Fernández, Esq. submits that approval of the compensation for professional services and reimbursement of expenses requested in this First Interim Fee Application is warranted.

Location of Services Provided

44. All fees and services during this Compensation Period were rendered and incurred within Puerto Rico.

Statements Pursuant to Appendix B of the U.S. Trustee Guidelines

45. The following statements address information pursuant to Section C.5 of the U.S. Trustee Guidelines:

- a. **Question:** Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain.

Answer: No.

- b. **Question:** If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application are higher by 10% or more, did you discuss the reasons for the variation with the client?

Answer: N/A.

- c. **Question:** Have any of the professionals included in this fee application varied their hourly rate based on geographic location of the bankruptcy case?

Answer: No.

- d. **Question:** Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not include reasonable fees for preparing a fee application.). If so, please quantify by hours and fees.

Answer: No.

- e. **Question:** Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees.

Answer: No.

- f. **Question:** If the fee application includes any rate increases in retention: (i) did your client review and approve those rate increases in advance? and (ii) Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11-458?

Answer: The Application does not include any additional rate increases.

Notice

46. Notice of this Application has been provided to: (a) the United States Trustee for the District of Puerto Rico, (b) the Oversight Board and its counsel, (c) counsel to AAFAF, (d) counsel to the Fee Examiner, (e) counsel to the Official Committee of Unsecured Creditors, (f) counsel to the Official Committee of Retirees, and (g) the Puerto Rico Department of Treasury. Ileana C. Cardona Fernández, Esq. respectfully submits that no further notice of this Application should be required.

No Prior Request

47. No prior interim fee application for the relief requested herein has been made to this or any other Court.

Conclusion

WHEREFORE, Ileana C. Cardona Fernández, Esq. respectfully requests that the Court enter an order; (a) approving the interim allowance of \$2,205.00 for compensation for professional services rendered during the Compensation Period and (b) granting such other and further relief as the Court deems just and proper.

San Juan, Puerto Rico
Dated: July 23, 2019

/s/ Ileana C. Cardona Fernández
Ileana C. Cardona Fernández
USDC-PR Bar No. 302610
Urb. Estancias de San Gerardo
Calle Orlando #1609
San Juan, PR 00926
Tel: (787) 484-8202
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*Local Conflicts Counsel to the Financial Oversight and
Management Board, acting through the Special Claims
Committee*

EXHIBIT A

EXHIBIT A

**CERTIFICATION OF ILEANA C. CARDONA FERNÁNDEZ, ESQ.
IN SUPPORT OF THE APPLICATION**

Hearing Date: October 30 at 9:30 a.m. AST
Objection Deadline: August 12, 2019 at 4:00 p.m. AST

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

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THE COMMONWEALTH OF PUERTO RICO, *et al.*,

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PROMESA
TITLE III

No. 17-BK-03283 (LTS)

(Jointly Administered)

**CERTIFICATION OF ILEANA C. CARDONA FERNÁNDEZ, ESQ. IN SUPPORT OF
FIRST INTERIM APPLICATION OF
ILEANA C. CARDONA FERNÁNDEZ, ESQ., LOCAL CONFLICTS COUNSEL TO THE
FINANCIAL OVERSIGHT AND MANAGEMENT BOARD, ACTING THROUGH ITS
SPECIAL CLAIMS COMMITTEE,
FOR PROFESSIONAL COMPENSATION AND REIMBURSEMENT
OF EXPENSES FOR THE SIXTH INTERIM FEE PERIOD
FROM FEBRUARY 1, 2019 THROUGH MAY 31, 2019**

I, Ileana C. Cardona Fernández, hereby certify that:

1. I am an attorney admitted to practice in the Commonwealth of Puerto Rico and am before this Court. I am a solo practitioner with office at Urb. Estancias de San Gerardo, Calle Orlando #1609, San Juan, Puerto Rico 00926. I am local conflicts counsel to the Financial Oversight and Management Board, acting through its Special Claims Committee (the “Oversight Board”) as representative of the Debtors in the above-captioned title III cases pursuant to section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (iv) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) Last Four Digits of Federal Tax ID: 3808); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

(“PROMESA”).² I have personal knowledge of all of the facts set forth in this certification except as expressly stated herein.

2. In accordance with (a) Local Bankruptcy Rule 2016-1 (the “Local Guidelines”), (b) Appendix B of the United States Trustee *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330*, effective as of November 1, 2013 (the “U.S. Trustee Guidelines”), and (c) the *Second Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* entered June 6, 2018 (the “Interim Compensation Order”), this certification is made with respect to the First Interim Application of Ileana C. Cardona Fernández, Esq., as local conflicts counsel to the Oversight Board dated July 15, 2019 (the “Application”),³ for interim compensation and reimbursement of expenses for the period of February 1, 2019 up to and including May 31, 2019 (the “Compensation Period”).

3. With respect to section (a)(4) of the Local Guidelines, I certify that:

- a. I have read the Application;
- b. to the best of my knowledge, information, and belief, formed after reasonable inquiry, the compensation and reimbursement of expenses sought conforms with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the U.S. Trustee Guidelines and these Local Guidelines;
- c. except to the extent that fees or disbursements are prohibited by the Local Guidelines, the compensation and reimbursement of expenses requested are billed in accordance with the Services Agreement. Ileana C. Cardona Fernández, Esq.’s hourly rate in these cases is \$225.00.
- d. in providing a reimbursable service, Ileana C. Cardona Fernández, Esq. does not make a profit on that service, whether the service is performed by Ileana C. Cardona Fernández, Esq. in- house or through a third party.

² PROMESA has been codified in 48 U.S.C. §§ 2101-2241.

³ Capitalized terms used but not defined herein have the meanings given to them in the Application.

Dated: July 23, 2019
San Juan, Puerto Rico

Respectfully submitted,

/s/ Ileana C. Cardona Fernández

Ileana C. Cardona Fernández
USDC-PR Bar No. 302610
Urb. Estancias de San Gerardo
Calle Orlando #1609
San Juan, PR 00926
Tel: (787) 484-8202
icardona@iccflaw.com

*Local Conflicts Counsel to the Financial
Oversight and Management Board, acting
through the Special Claims Committee*

EXHIBIT B

EXHIBIT B

**FIRST CONSOLIDATED MONTHLY STATEMENT
FOR ILEANA C. CARDONA FERNÁNDEZ, ESQ.**

63458443 v1

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO
RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.

Debtors.

PROMESA Title III
Case No. 17-BK-3282 (LTS)

(Jointly Administered)

**FIRST CONSOLIDATED MONTHLY FEE STATEMENT OF
ILEANA C. CARDONA FERNANDEZ, ESQ., LOCAL CONFLICTS COUNSEL FOR
THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO,
ACTING THROUGH ITS SPECIAL CLAIMS COMMITTEE
FOR SERVICES AND DISBURSEMENTS FOR THE PERIOD OF
APRIL 1, 2019 THROUGH MAY 31, 2019**

The Commonwealth of Puerto Rico, *et al.*

June 10, 2019

FOR PROFESSIONAL SERVICES AND DISBURSEMENTS

Client Ref. No. PRO-001

Invoice No. 001

Re: The Financial Oversight and Management Board for Puerto Rico,
as representative of The Commonwealth of Puerto Rico, *et al.*
Debtors under Title III
April 1, 2019 – May 31, 2019

Professional services rendered by Ileana C. Cardona Fernández, Esq.
Local Conflicts Counsel for The Financial Oversight and Management Board for Puerto Rico,
acting through its Special Claims Committee

**Total Amount of Compensation
for Professional Services**

\$2,205.00

Less Holdback as per Court Order dated June 6, 2018 (DN 3269) (10%)	\$220.50
Interim Compensation for Professional Services (90%)	\$1,984.50
Plus Reimbursement for Actual and Necessary Expenses	\$0.00
Total Requested Payment Less Holdback	\$1,984.50

FEE STATEMENT INDEX

Exhibit A	Time and Compensation Breakdown
Exhibit B	Time Entries – Invoice
Exhibit C	Professional Certification
Exhibit D	Principal Certification

EXHIBIT A

EXHIBIT A

**SERVICES RENDERED BY
ILEANA C. CARDONA FERNÁNDEZ, ESQ.**

APRIL 1, 2019 THROUGH MAY 31, 2019

TIME AND COMPENSATION BREAKDOWN

Counsel	Year Admitted to Bar; Specialty	Rate	Hours	Amount
Ileana C. Cardona Fernández	Admitted to Puerto Rico Bar in 2015; Litigation	\$225.00	9.8	\$2,205.00
TOTAL			9.8	\$2,205.00

EXHIBIT B

Ileana C. Cardona Fernández, Esq.
787-484-8202
icardona@iccflaw.com

Invoice No. 001
Client – PRO-001
Date: June 10, 2019

BILL TO:

Puerto Rico Financial Oversight and Management Board,
acting through its Special Claims Committee
C/O Jaime A. El Koury, Esq.
1112 Park Avenue, Apt. 12A
New York, 10128

Re: Wal-Mart Avoidance Action – Case No. 19-00267

INVOICE

For professional services rendered in connection with the above captioned matter through May 31, 2019.

DATE	DETAILS	HOURS	VALUE
4/30/19	Revised email regarding PROMESA introduction to Brown Rudnick team. Drafted email in response. (0.3 hours) Email exchange and phone call with Brown Rudnick team regarding finalization of fee arrangement. (0.5 hours)	0.8 hours	\$180.00
5/1/19	Email exchange with Brown Rudnick team regarding Complaint finalization and ancillary documents; (0.3 hours) Review of Complaint drafts 1 and 2, and ancillary documents. (1 hours) Review of applicable local and federal bankruptcy law. (0.5 hours) Phone calls with Brown Rudnick team regarding finalization of complaint. (0.5 hours) Review of docket. (0.2 hours)	3.2 hours	\$720.00

Ileana C. Cardona Fernández, Esq.
787-484-8202
icardona@iccflaw.com

Invoice No. 001
Client – PRO-001
Date: June 10, 2019

	Reviewed and saved filed complaint and ancillary documents. (0.7 hours)		
5/3/19	Drafted email to Brown Rudnick team regarding pending matters follow up. (0.2 hours)	0.2 hours	\$45.00
5/5/19	Email exchange with Brown Rudnick team regarding next steps on adv. pro. (0.2 hours)	0.2 hours	\$45.00
5/7/19	Examined Order at DN 6086; DN 6847 filed by FOMB. Saved them to file. (0.2 hours)	0.2 hours	\$45.00
5/8/19	Examined DN 6853, DN 6854 filed by FOMB; examined DN 6859 Order by Court. (0.5 hours)	0.5 hours	\$112.50
5/9/19	Examined DN 6857 filed by FOMB. (0.2 hours)	0.2 hours	\$45.00
5/13/19	Sent follow up emails to Brown Rudnick team re: next steps. (0.1 hours)	0.1 hours	\$22.50
5/17/19	Call w/ Counsel from Wal-Mart re: alleged documents to substantiate early resolution. (0.3 hours) Call w/ Rosa Sierra re: call with Wal-Mart Counsel and email to respond with. (0.1 hours)	0.4 hours	\$90.00
5/21/19	Read documents sent in advance of strategy call with Brown Rudnick and Puerto Rico team : agenda for call; Resolution Procedure Proposal; example motions re: avoidance actions and settlements (1 hour) Participated in strategy call w/ Brown Rudnick team and PR teams. (1.4 hours) Drafted email to Brown Rudnick team re: follow up w/ Wal-Mart Counsel on adv pro. (0.1 hours)	2.5 hours	\$562.50
5/22/19	Email exchange with Brown Rudnick team re: follow up w/ Wal-Mart counsel on adv pro. (0.1	0.3 hours	\$67.50

Ileana C. Cardona Fernández, Esq.
787-484-8202
icardona@iccflaw.com

Invoice No. 001
Client – PRO-001
Date: June 10, 2019

	hours) Sent email to Wal-Mart counsel re: adv pro follow up. (0.2 hours)		
5/23/19	Drafted email to Brown Rudnick team re: conversation w. Hermann Bauer on 5.22.19 (0.1 hours) Reviewed Draft Proposal for Informal Procedures for avoidance actions. (0.7 hours) Email to US counsel re: observations on proposal and availability for next strategy call. (0.1 hours)	0.9 hours	\$202.50
5/29/19	Reviewed email and updated protocol for adversary proceeding from Brown Rudnick team. (0.3 hours)	0.3 hours	\$67.50

TOTAL:

\$2,205.00

BALANCE DUE: \$2,205.00

Check payable to: Ileana C. Cardona Fernández, Esq.
Urb. Estancias de San Gerardo
Calle Orlando #1609
San Juan, PR 00926

EXHIBIT C

EXHIBIT C

PROFESSIONAL CERTIFICATION

I hereby certify that no public servant of the Department of Treasury is a party to or has any interest in the gains or benefits derived from the contract that is the basis of this invoice. The only consideration for providing services under the contract is the payment agreed upon with the authorized representatives of The Financial Oversight and Management Board for Puerto Rico, acting through its Special Claims Committee. The amount of this invoice is reasonable. The services were rendered and the corresponding payment has not been made. To the best of my knowledge, Ileana C. Cardona Fernández does not have any debts owed to the Government of Puerto Rico or its instrumentalities.

s/ Ileana C. Cardona Fernandez
Ileana C. Cardona Fernández
USDC-PR Bar No. 302610

EXHIBIT D

EXHIBIT D

PRINCIPAL CERTIFICATION

PRINCIPAL CERTIFICATION

I hereby authorize the submission of this First Consolidated Monthly Fee Statement of Ileana C. Cardona Fernández covering the period from April 1, 2019 through May 31, 2019.

A handwritten signature in dark ink, appearing to read 'Jaime A. El Koury', is positioned above a horizontal line.

Jaime A. El Koury
General Counsel to the Financial Oversight
and Management Board for Puerto Rico